# Department of Personnel Administration Memorandum

# **TO: Personnel Management Liaisons (PML)**

SUBJECT:	REFERENCE NUMBER:
2012 Employer Health and CoBen Contributions	2011-036
DATE ISSUED:	SUPERSEDES:
9/14/2011	PML2011-034

This memorandum should be forwarded to:

**Employee Relations Officers** 

**Personnel Officers** 

**Personnel Transaction Supervisors** 

FROM: Department of Personnel Administration

**Labor Relations Division** 

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This PML supersedes PML2011-034, dated, August 23, 2011. The employer health benefits and CoBen contributions for Bargaining Units 12 and 18 were incorrect.

The following employer health benefits and CoBen contributions are effective, January 1, 2012. The collective bargaining process is fluid and changes may subsequently be agreed to which could alter these amounts. DPA will notify you if there are any changes.

#### **Represented Employees**

#### <u>Units 1, 3, 4, 6, 10, 11, 13, 14, 15, 20, 21 - Health Contribution</u>

Employee: \$452 Employee plus 1 dependent: \$905 Employee plus 2 or more dependents: \$1,177

#### Units 1, 3, 4, 10, 11, 13, 14, 15, 20, 21- Health Contribution for Employees Subject to

#### Dependent Health Vesting

	<u>Dependent Contribution Level</u>	
	<u>50%</u>	<u>75%</u>
Employee	\$452	\$452
Employee plus 1 dependent	\$678	\$792
Employee plus 2 or more dependents	\$815	\$996

#### Unit 12 – Health Contribution

Employee:	\$433
Employee plus 1 dependent:	\$866
Employee plus 2 or more dependents:	\$1,129

## Unit 12 - Health Contribution for Employees Subject to Dependent Health Vesting

### **Dependent Contribution Level**

	<u>50%</u>	<u>75%</u>
Employee	<del>\$433</del>	\$433
Employee plus 1 dependent	\$649	\$758
Employee plus 2 or more dependents	\$781	\$955

#### <u>Unit 18 – CoBen Allowance</u>

Employee	\$482
Employee plus 1 dependent	\$946
Employee plus 2 or more dependents	\$1,241

## <u>Unit 18 – CoBen Allowance for Employees Subject to Dependent Health Vesting</u>

# **Dependent Contribution Level**

	<u>50%</u>	<u>75%</u>
Employee	\$482	\$482
Employee plus 1 dependent	\$729	\$838
Employee plus 2 or more dependents	\$893	\$1,067

#### <u>Units 2, 7, 16, 17, 19 – CoBen Allowance</u>

Employee \$501 Employee plus 1 dependent \$986 Employee plus 2 or more dependents \$1,291

#### Units 2, 7, 16, 17, 19 - CoBen Allowance for Employees Subject to Dependent Health Vesting

#### Dependent Contribution Level

	<u>50%</u>	<u>75%</u>
Employee	\$501	\$501
Employee plus 1 dependent	\$759	\$873
Employee plus 2 or more dependents	\$929	\$1,110

#### Units 5 and 9 - Health Contribution

Employee	\$480
Employee plus 1	\$933
Employee plus 2 or more dependents	\$1,206

#### Unit 8 - CoBen Allowance

Employee	\$529
Employee plus 1 dependent	\$1,014
Employee plus 2 or more dependents	\$1,320

#### **Excluded Employees - CoBen Allowance**

Employee	\$531
Employee plus 1 dependent	\$1,027
Employee plus 2 or more dependents	\$1,335

#### **Dependent Vesting FAQs**

#### What is dependent health vesting?

Dependent health vesting provides new employees a reduced employer health benefits contribution toward dependent coverage during their first 24 months of service.

New employees, not previously eligible for health benefits under State civil service, receive:

- 50 percent of the employer contribution for dependent coverage during the first 12 months of service.
- 75 percent of the employer contribution for dependent coverage during months 13 through 24.
- After completing 24 months of service, new employees receive the full employer contribution for dependent coverage.

#### Which bargaining units are subject to dependent health vesting?

Bargaining Units 1, 2, 3, 4, 7, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21 are subject to dependent health vesting.

What prior State service exempts new employees from dependent health vesting?

A new employee must meet <u>all</u> of the following criteria to be exempt from dependent vesting:

- Previous appointment date prior to <u>January 1, 2007</u> for employees in Bargaining Units 1, 3, 4, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21 and <u>July 1, 2006</u> for employees in Bargaining Units 2 and 7;
- Must be a State civil service appointment (UC and CSU appointments are not State civil service); and
- Employee must have been <u>eligible</u> for State health benefits (it does not matter whether
  or not the employee actually enrolled in health benefits, as long as they were <u>eligible</u> to
  enroll).

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### What counts as a month of "service" for dependent health vesting?

The 24-month vesting period begins with the month the employee is first eligible for State health benefits. The vesting period is a continuous 24 months, unless the employee <u>permanently separates</u> from State service. Upon reappointment, following a permanent separation, the employee must serve out the remainder of their vesting period.

If an employee from a non-vesting bargaining unit or an excluded employee transfers to a bargaining unit subject to dependent health vesting during their first 24 months of service, are they subject to dependent vesting?

An employee already receiving the 100 percent employer health contribution remains at the 100 percent contribution level.

If an employee from a bargaining unit subject to dependent health vesting transfers to a bargaining unit not subject to dependent health vesting during their first 24 months of service, must they continue to serve out their vesting period?

The employee begins receiving the 100 percent employer health contribution upon appointment to the non-vesting bargaining unit.

Please refer to the appropriate collective bargaining agreement for the specific criteria for determining if an employee is subject to dependent vesting.

If you have any questions regarding the information provided above, please contact Elaine Smith at (916) 445-9801.

/s/ Julie Chapman

Julie Chapman, Chief Labor Relations Division